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UNITED STATES OFFAMERICAETARY Before the

SECURITIES AND EXCHANGE COMMISSION

Office of Administrative ON Law Judges

## ADMINISTRATIVE PROCEEDING File No. 3-16293

In the Matter of

## LAURIE BEBO, and JOHN BUONO, CPA,

## RESPONDENT LAURIE BEBO'S REQUEST FOR ISSUANCE OF SUPPLEMENTAL SUBPOENAS DUCES TECUM

Respondents.

 TO: Benjamin J. Hanauer, Esq. United States Securities and Exchange Commission
 175 West Jackson Boulevard, Suite 900 Chicago, IL 60604

Pursuant to Rule 232 of the Commission's Rules of Practice, Ryan S. Stippich and

Mark A. Cameli of Reinhart Boerner Van Deuren s.c., as counsel for Respondent Laurie Bebo,

request issuance of the enclosed Supplemental Subpoenas Duces Tecum to Assisted Living

Concepts, LLC doing business as Enlivant, Ventas, Inc. and Quarles & Brady LLP (the

"Witnesses"), requiring the production of documentary or other tangible evidence returnable at a

designated time or place.

In relation thereto, Respondent Laurie Bebo states as follows:

1. The documents possessed by the Witnesses are material and relevant to the subject matter of this proceeding.

2. Assisted Living Concepts, LLC doing business as Enlivant is Respondent's former employer at all times relevant to these proceedings.

3. Ventas, Inc. is a party to the leasing agreement that is central to these proceedings.

4. Quarles & Brady LLP is the law firm that Assisted Living Concepts, LLC retained for corporate and litigation matters involving Assisted Living Concepts, LLC and relevant to this proceeding.

5. Respondent Laurie Bebo believes that the Witnesses have custody, possession and control of documents and testimony related to the subject matter of this action and it is necessary that a Subpoena issue to each Witness.

6. Pursuant to Section 556 of the Administrative Procedures Act, as amended (5 U.S.C. § 556), and Rules 111 and 232 of the Rules of Practice of the United States Securities and Exchange Commission (17 C.F.R. §§ 201.111, 201.232), a subpoena may issue to a witness to appear, to produce certain documents and to give testimony in these proceedings.

7. The issuance of subpoenas to the Witnesses is not unreasonable, oppressive, excessive in scope, or unduly burdensome.

8. Copies of the proposed Supplemental Subpoenas Duces Tecum to the Witnesses and the requested documents are attached hereto as Exhibits A-C showing that the requests are reasonable in scope.

9. The January 23, 2015 Order on Request for Issuance of Subpoenas (the "Order"), raised concerns regarding the relevance or scope of the Subpoena Requests. The chart below addresses those concerns.

| Entity | Request<br>#:<br>Original<br>Subpoena | Request #:<br>Amended<br>Subpoena | ALJ<br>objection to<br>the original<br>request   | Bebo's response to the objections or<br>revision to the original request  |
|--------|---------------------------------------|-----------------------------------|--|---|
| ALC    | 7                                     | 1                                 | No apparent<br>relevance and<br>the request is<br>overbroad<br>because it<br>presumably<br>seeks a large<br>number of<br>telephone<br>records<br>irrelevant to<br>the OIP. | <ul> <li>Bebo has revised this Request to limit the time frames to three key periods. Each of these time frames is relevant to the allegations in the OIP and the documents requested are necessary for Bebo to defend against the OIP allegations.</li> <li>(a) January 1, 2009-February 28, 2009: ALC seeks advice of counsel regarding ALC's rental of rooms at Ventas facilities related to employees and others. ALC also communicates via telephone and email with Ventas regarding the same. (See OIP, ¶¶ 22-25.) Indeed, although conveniently omitted from the allegations of the OIP, Ms. Bebo had a specific conversation with Joseph Solari of Ventas on January 20, 2009 where, among other things, she discussed ALC's rental of rooms at Ventas facilities related to employees and others - the arrangement which the Division has characterized as a "scheme" in hindsight.</li> <li>(b) July 1, 2011-August 31, 2011: ALC receives an SEC Comment letter in late July, responds to the Comment letter with the assistance of its external auditors and counsel. There is conflicting testimony with respect to whether and to what extent ALC's outside counsel discussed the response by telephone. Advice received in relation to the SEC Comment letter is directly relevant to the SEC's claims that Bebo caused false and misleading disclosures in ALC's periodic filings (See OIP ¶¶ 41-46) ; and</li> <li>(c) March 1, 2012-May 29, 2012: the SEC asserts that the purported "scheme" unraveled in this time frame. These documents are critical to showing that the</li> </ul> |

|        |   |   |  | ALC Board was aware of the employee leasing and that it was not a scheme created by management. (See OIP ¶¶ 51-54).  |
|--------|---|---|--|--|
| ALC    | 8 | 2 | See above  | See above  |
| Ventas | 2 | 1 | No apparent<br>relevance and<br>outside the<br>scope of the<br>OIP as they<br>seek<br>documents<br>from 2005-<br>2007. | ALC stepped into the shoes of the<br>previous tenant, Old CaraVita. The OIP<br>makes numerous allegations with respect<br>to ALC's reporting under the lease to<br>Ventas, including that it included<br>employees, that at times they reported<br>occupancy over 100%, and that the<br>facility financials failed to comply with<br>GAAP. The implication is Ventas would<br>not accept this reporting, but this is<br>contradicted by their past practice with<br>the previous tenant, Old CaraVita Ms.<br>Bebo believes the evidence will establish<br>that Old CaraVita engaged in practices in<br>terms of lease reporting that (a) included<br>employees in the covenant calculations;<br>(b) included reports with over 100%<br>occupancy; (c) included non-GAAP<br>financials; and (d) shifted expenses from<br>the financials of the facility to an<br>affiliated home health company. Ms.<br>Bebo believes all of this was known to<br>Ventas, and she should be permitted<br>document subpoenas to obtain this<br>evidence that contradicts the Division's<br>theory of the case. As such, these requests<br>are both relevant and narrowly tailored. |
| Ventas | 3 | 2 | See above  | See above  |
| Ventas | 4 | 3 | See above  | See above  |
| Ventas | 5 | 4 | Overbroad<br>because it is<br>not<br>sufficiently<br>limited in<br>subject<br>matter.                                  | Bebo has narrowed both the time frame<br>and the subject matter for this request.<br>The documents requested are limited to<br>those that address the SEC investigation<br>of ALC and its purported use of<br>employees in occupancy counts at Ventas<br>properties. These documents are critical<br>to developing an understanding of Ventas'   |

|        |    |    |  | knowledge of the allegations in the OIP, specifically those in $\P\P$ 22-27.   |
|--------|----|----|--|--|
| Ventas | 9  | 5  | Overbroad<br>because it is<br>not<br>sufficiently<br>limited in<br>subject<br>matter.  | See above  |
| Ventas | 10 | 6  | No apparent<br>relevance as<br>it involves<br>parties to<br>Ventas leases<br>other than<br>ALC; and<br>excessive in<br>scope<br>because it<br>seeks<br>documents<br>dating to<br>January 2007. | This information is relevant to Bebo's defense because it supports her challenge to the assertions of Ventas representatives with respect to the company's purported practice of not waiving covenants or reaching other accommodations with tenants. Bebo is entitled to obtain evidence necessary to challenge these assertions. The request is narrowly tailored to seek these documents during the time frame from when ALC began a tenant of Ventas until the last purportedly false and misleading disclose. (See OIP ¶ 41.) |
| Ventas | 11 | 7  | See above  | See above  |
| Ventas | 12 | 8  | See above  | See above  |
| Ventas | 13 | 9  | See above  | See above  |
| Ventas | 14 | 10 | See above  | See above  |
| Ventas | 15 | 11 | See above  | See above  |
| Ventas | 16 | 12 | See above  | The OIP asserts that Ventas paid close<br>attention to ALC's compliance and asked<br>questions about ALC's operations;<br>however, Ms. Bebo believes the<br>documents requested will show that the<br>basis for Ventas' interest was primarily<br>for the purpose of mining for information<br>that it could use to boost its own<br>properties elsewhere that were in<br>competition with ALC's properties. (See<br>OIP ¶ 20). Bebo's request is limited in   |

-

|        |     |    |  | that it only seeks documents regarding<br>Ventas' other Senior Housing<br>Communities during the time when ALC<br>was a Ventas tenant. Based on a review<br>of Ventas' SEC filings, this should<br>include only a handful of operators<br>(approximately 6-8).   |
|--------|-----|----|--|--|
| Ventas | 21  | 13 | See above                              | The requested information will further<br>support that Ventas was a competitor of<br>ALC and it had Senior Housing<br>Communities that were located such that<br>they were in direct competition with<br>ALC's properties. This showing supports<br>that Ventas used its quarterly calls to<br>gather non-public information from ALC<br>about its sales and marketing initiatives<br>and administration of its properties, and<br>that Ms. Bebo was appropriately<br>circumspect during those conversations<br>because it was in the best interests of<br>ALC. Bebo's request is limited in that it<br>only seeks documents regarding Ventas'<br>other Senior Housing Communities<br>during the time when ALC was a Ventas<br>tenant. |
| Ventas | 24  | 14 | See above                              | The requested information goes to<br>support the contention that ALC was the<br>operator of only a small portion of its<br>Senior Housing Communities segment<br>and an extremely minor part of Ventas'<br>(and ALC's) business. Because ALC was<br>not a credit risk for rental payments, this<br>information goes to refute the<br>implications of the OIP that Ventas either<br>did not or would not have agreed to the<br>practice utilized by ALC to meet the<br>covenants. Bebo's request is narrowly<br>tailored to only seek documents regarding<br>Ventas' other Senior Housing<br>Communities during the time when ALC<br>was a Ventas tenant.   |
| Ventas | n/a | 15 | New request<br>added to the<br>amended | This is a new request that relates to<br>information requested in request number<br>26 in the original subpoena. This request,   |

|     |   |   | subpoena                 | seeking additional information relating to<br>the sale of the Ventas properties and the<br>accounting treatment of the sale, pertains<br>to a matter alleged in the OIP.   |
|-----|---|---|--------------------------|--|
| Q&B | 2 | 1 | No apparent<br>relevance | One of Bebo's defenses is that she relied<br>on the advice of counsel. Bebo seeks the<br>billing records because they likely contain<br>admissible evidence with respect to<br>whether Quarles & Brady advised Bebo<br>and/or ALC regarding the SEC Comment<br>letter in July and August 2011, covenant<br>compliance in connection with the Ventas<br>lease, and ALC's disclosures in its SEC<br>filings regarding the same. The Request is<br>narrowly tailored to the appropriate time<br>frame (July 2011-May 2012). |

Dated this 4th day of February, 2015.

REINHART BOERNER VAN DEUREN S.C. Counsel for Respondent Laurie Bebo

By:

Ryan S. Stippich IL State Bar No.: 6276002 Mark A. Cameli WI State Bar ID No. 1012040

1000 North Water Street, Suite 1700 Milwaukee, WI 53202 Telephone: 414-298-1000 Facsimile: 414-298-8097 E-mail: rstippich@reinhartlaw.com



### SUBPOENA TO PRODUCE DOCUMENTS

Issued Pursuant to U.S. Securities and Exchange Commission Rules of Practice 111(b) and 232, 17 C.F.R. §§ 201.111(b), 201.232.

| 1. TO<br>Assisted Living Concepts, LLC<br>d/b/a Enlivant                    | This subpoena requires you to produce documents or other<br>tangible evidence described in Item 7, at the request of the<br>Party described in Item 4, in the U.S. Securities and Exchange<br>Commission Administrative Proceeding described in Item 6. |
|---|---|
| 2. PLACE OF PRODUCTION<br>Reinhart Boerner Van Deuren s.c.                  | 3. DATE AND TIME PRODUCTION IS DUE<br>February 20, 2015   |
| 4. PARTY AND COUNSEL REQUESTING<br>ISSUANCE OF SUBPOENA<br>Ryan S. Stippich | 5. THE PRODUCTION OF DOCUMENTS OR OTHER<br>TANGIBLE EVIDENCE IS ORDERED BY  |
| Counsel for Laurie Bebo<br>Reinhart Boerner Van Deuren s.c.                 | The Honorable Cameron Elliot  |
|   | Administrative Law Judge<br>U.S. Securities and Exchange Commission   |

6. TITLE OF THE MATTER AND ADMINISTRATIVE PROCEEDING NUMBER

In the matter of Laurie Bebo and John Buono, CPA, AP File No. 3-16293

7. DOCUMENTS OR OTHER TANGIBLE EVIDENCE TO BE PRODUCED (ATTACH PAGES AS REQUIRED)

See attachment

| DATE SIGNED | SIGNATURE OF ADMINISTRATIVE LAW JUDGE  |
|-------------|--|
|             |  |
|             | GENERAL INSTRUCTIONS   |
|             | MOTION TO QUASH  |
| req<br>wit  | e U.S. Securities and Exchange Commission's Rules of Practice<br>uire that any application to quash or modify a subpoena comply<br>h Commission Rule of Practice 232(e)(1). 17 C.F.R. §<br>.232(e)(1). |

U.S. Securities and Exchange Commission Office of Administrative Law Judges Form

#### **DEFINITIONS AND INSTRUCTIONS**

1. You are instructed to produce documents and/or electronically stored information evidencing, commemorating, reflecting and/or relating to the following list.

2. Unless otherwise specified, the relevant time frame is January 1, 2008 to the present.

3. The terms "Assisted Living Concepts, Inc.," and "ALC" refer to Assisted Living Concepts, Inc. and includes (a) all of its affiliates, divisions, units, successor and predecessor entities, subsidiaries, parents, and assigns, including but not limited to Assisted Living Concepts, LLC (d/b/a Enlivant); (b) all of its present and former officers, directors, agents, employees, representatives, accountants, investigators, and attorneys; (c) any other person acting or purporting to act on its behalf; or (d) any other person otherwise subject to its control, which controls it, or is under common control with it.

4. The term "CaraVita Facilities" refers to the eight independent and assisted living facilities located in several states in the Southeast United States ALC rented from Ventas, and include CaraVita Village, Greenwood Gardens, Highland Terrace, Peachtree Estates, Tara Plantation, The Inn at Seneca, the Sanctuary, and Winterville Retirement.

5. "Communication" means any oral, written, electronic, or other transfer of information, ideas, opinions or thoughts by any means, from or to any person or thing.

6. "Including" means "including without limitation."

7. "Relate to," "related to" and "relating to," mean mentioning or describing, containing, involving or in any way concerning, pertaining or referring to or resulting from, in whole or in part, directly or indirectly, the stated subject matter.

8. The terms "and" as well as "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of these requests any document or thing which might otherwise be construed to be outside their scope.

9. "Document" is defined to be synonymous in meaning and equal in scope to the usage of this term in Federal Rule of Civil Procedure 34(a), including, without limitation, writings, drawings, graphs, charts, photographs, sound records, images, electronic or computerized data compilations and other electronically stored information, and any versions, drafts or revisions of any of the above. Any document which contains any comment, notation, addition, insertion or marking of any kind which is not part of another document which does not contain a comment, notation, addition, insertion or marking of any kind which is not part of any kind which is part of another document, is to be considered a separate document.

10. "Electronically stored information" means all information that is created, manipulated, or stored in electronic form regardless of the medium. Electronically stored information also includes any deleted data that once existed as live data but has been erased or deleted from the electronic medium on which it resided. Even after deleted data itself has been overwritten or wiped, information relating to the deleted data may still remain.

11. A document or thing is deemed to be in your control if you have the right to secure the document or thing or a copy thereof from another person or entity having actual possession of the document or thing. If any document or thing responsive to this request was, at one time, but is no longer, within your possession or control, state what disposition was made of the document or thing, by whom, the approximate date of the disposition, and the reason for the disposition.

12. If any request for documents is deemed to call for the production of privileged or

work product materials and such privilege or work product is asserted, provide the following

information with respect to each withheld document:

- (a) the privilege(s) and/or work product protection asserted;
- (b) the date on which the document was created or finalized;
- (c) the number of pages, including any attachments or appendices;
- (d) the names of the document's author, authors or preparers;
- (e) the name of each person to whom the document was sent, carbon copied or blind carbon copied;
- (f) the subject matter of the document or responses, and in the case of any document relating or referring to a meeting or conversation, identification of such meeting or conversation.

### DOCUMENTS TO BE PRODUCED

1. Telephone records reflecting calls made to or from Ms. Bebo's office telephone

[(262) 257-8899] for the following time frames:

- (a) January 1, 2009-February 28, 2009;
- (b) July 1, 2011-August 31, 2011; and
- (c) March 1, 2012-May 29, 2012.
- 2. Telephone records reflecting calls made to or from Ms. Bebo's ALC-provided

mobile telephone [(414) 803-6111] for the following time frames:

- (a) January 1, 2009-February 28, 2009;
- (b) July 1, 2011-August 31, 2011; and
- (c) March 1, 2012-May 29, 2012.



### SUBPOENA TO PRODUCE DOCUMENTS

Issued Pursuant to U.S. Securities and Exchange Commission Rules of Practice 111(b) and 232, 17 C.F.R. §§ 201.111(b), 201.232.

| 1. TO<br>Ventas, Inc.   | This subpoena requires you to produce documents or other<br>tangible evidence described in Item 7, at the request of the<br>Party described in Item 4, in the U.S. Securities and Exchange<br>Commission Administrative Proceeding described in Item 6. |
|---|---|
| 2. PLACE OF PRODUCTION<br>Reinhart Boerner Van Deuren s.c.                  | 3. DATE AND TIME PRODUCTION IS DUE<br>February 20, 2015   |
| 4. PARTY AND COUNSEL REQUESTING<br>ISSUANCE OF SUBPOENA<br>Ryan S. Stippich | 5. THE PRODUCTION OF DOCUMENTS OR OTHER<br>TANGIBLE EVIDENCE IS ORDERED BY  |
| Counsel for Laurie Bebo<br>Reinhart Boerner Van Deuren s.c.                 | The Honorable Cameron Elliot  |
|   | Administrative Law Judge<br>U.S. Securities and Exchange Commission   |

6. TITLE OF THE MATTER AND ADMINISTRATIVE PROCEEDING NUMBER

In the matter of Laurie Bebo and John Buono, CPA, AP File No. 3-16293

7. DOCUMENTS OR OTHER TANGIBLE EVIDENCE TO BE PRODUCED (ATTACH PAGES AS REQUIRED)

See attachment

| DATE SIGNED | SIGNATURE OF ADMINISTRATIVE LAW JUDGE |
|-------------|---------------------------------------|
|             |                                       |
|             |                                       |
|             |                                       |
|             | GENERAL INSTRUCTIONS                  |

### MOTION TO QUASH

The U.S. Securities and Exchange Commission's Rules of Practice require that any application to quash or modify a subpoena comply with Commission Rule of Practice 232(e)(1). 17 C.F.R. § 201.232(e)(1).

U.S. Securities and Exchange Commission Office of Administrative Law Judges Form

#### DEFINITIONS AND INSTRUCTIONS

1. You are instructed to produce documents and/or electronically stored information evidencing, commemorating, reflecting and/or relating to the following list.

2. Unless otherwise specified, the relevant time frame is January 1, 2008 to the present.

3. The terms "Assisted Living Concepts, Inc.," and "ALC" refer to Assisted Living Concepts, Inc. and includes (a) all of its affiliates, divisions, units, successor and predecessor entities, subsidiaries, parents, and assigns, including but not limited to Assisted Living Concepts, LLC (d/b/a Enlivant); (b) all of its present and former officers, directors, agents, employees, representatives, accountants, investigators, and attorneys; (c) any other person acting or purporting to act on its behalf; or (d) any other person otherwise subject to its control, which controls it, or is under common control with it.

4. The terms "Ventas" and "Ventas REIT" refers to Ventas, Inc. and includes (a) all of its affiliates, divisions, units, successor and predecessor entities, subsidiaries, parents, and assigns; (b) all of its present and former officers, directors, agents, employees, representatives, accountants, investigators, and attorneys; (c) any other person acting or purporting to act on its behalf; or (d) any other person otherwise subject to its control, which controls it, or is under common control with it.

5. The term "Senior Housing Communities" means Ventas' portfolio of independent and assisted living communities, and communities providing care for individuals with Alzheimer's disease and other forms of dementia or memory loss as described in Ventas' annual reports. 6. The term "Ventas lease" refers to the Amended and Restated Master Lease Agreement between and among Ventas Realty, Limited Partnership and affiliates of ALC, dated January 1, 2008, whereby ALC rented eight independent and assisted living facilities located in several states in the Southeast United States (referred to herein as the "CaraVita Facilities").

7. The term "Old CaraVita" refers to the entities operating the CaraVita Facilities, including BBLRG, LLC, CVSC, LLC and the principal managers of those entities, Josh Coughlin and Laura Elizabeth "Beth" Cayce, and any representatives of the eight special purpose entities that owned the facilities.

8. "Communication" means any oral, written, electronic, or other transfer of information, ideas, opinions or thoughts by any means, from or to any person or thing.

9. "Including" means "including without limitation."

10. "Relate to," "related to" and "relating to," mean mentioning or describing, containing, involving or in any way concerning, pertaining or referring to or resulting from, in whole or in part, directly or indirectly, the stated subject matter.

11. The terms "and" as well as "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of these requests any document or thing which might otherwise be construed to be outside their scope.

12. "Document" is defined to be synonymous in meaning and equal in scope to the usage of this term in Federal Rule of Civil Procedure 34(a), including, without limitation, writings, drawings, graphs, charts, photographs, sound records, images, electronic or computerized data compilations and other electronically stored information, and any versions, drafts or revisions of any of the above. Any document which contains any comment, notation, addition, insertion or marking of any kind which is not part of another document which does not

contain a comment, notation, addition, insertion or marking of any kind which is part of another document, is to be considered a separate document.

13. "Electronically stored information" means all information that is created, manipulated, or stored in electronic form regardless of the medium. Electronically stored information also includes any deleted data that once existed as live data but has been erased or deleted from the electronic medium on which it resided. Even after deleted data itself has been overwritten or wiped, information relating to the deleted data may still remain. When you produce any electronically stored information, it shall be produced in the following format: .pdf.

14. A document or thing is deemed to be in your control if you have the right to secure the document or thing or a copy thereof from another person or entity having actual possession of the document or thing. If any document or thing responsive to this request was, at one time, but is no longer, within your possession or control, state what disposition was made of the document or thing, by whom, the approximate date of the disposition, and the reason for the disposition.

15. If any request for documents is deemed to call for the production of privileged or work product materials and such privilege or work product is asserted, provide the following information with respect to each withheld document:

- (a) the privilege(s) and/or work product protection asserted;
- (b) the date on which the document was created or finalized;
- (c) the number of pages, including any attachments or appendices;
- (d) the names of the document's author, authors or preparers;
- (e) the name of each person to whom the document was sent, carbon copied or blind carbon copied;

(f) the subject matter of the document or responses, and in the case of any document relating or referring to a meeting or conversation, identification of such meeting or conversation.

#### DOCUMENTS TO BE PRODUCED

All communications with Old CaraVita between April 1, 2005 and December 31,
 2007 relating to the manner or methodology by which Old CaraVita calculated the occupancy
 and coverage ratio covenants under its lease with Ventas governing the CaraVita Facilities.

Any documents or communications between April 1, 2005 and December 31,
 2007 relating to any instances where occupancy was reported at over 100% at any facility while
 Old Caravita leased the CaraVita Facilities from Ventas.

3. All documents related to Old Cara Vita's use of an affiliated home health company to provide services at any of the CaraVita Facilities during the time period April 1, 2005 and December 31, 2007 as it pertains to Old CaraVita's calculations of coverage ratio covenants under its lease with Ventas (i.e. whether Old CaraVita excluded expenses related to services provided by the home health company from the covenant calculations).

4. All documents reflecting or referring to communications between June 2012 and the present concerning pertaining to the SEC's investigation of ALC's alleged use of employees in its occupancy or coverage ratio calculations at Ventas properties.

5. All documents reflecting or referring to communications between May 2012 and the present between Ventas and the law firm of Milbank, Tweed, Hadley & McCloy, LLP pertaining to the SEC's investigation of ALC's alleged use of employees in its occupancy or coverage ratio calculations at Ventas properties or Milbank's internal investigation of possible purported irregularities in connection with ALC's lease with Ventas, conducted by Milbank as

disclosed in ALC's May 4, 2012 Form 8-K filed with the U.S. Securities and Exchange Commission (the "SEC").

Any documents or communications regarding or reflecting any instance where a financial covenant was amended, modified, or waived for any Ventas lessee between January 1, 2008 and May 31, 2011.

7. All documents or communications regarding or reflecting any instance where Ventas reached an understanding with a lessee with respect how any ambiguous terms of a financial covenant should be interpreted or applied between January 1, 2008 and May 31, 2012.

8. Documents sufficient to reflect all instances where Ventas asserted an event of default by a tenant under a lease due to breach of a financial covenant during the time period January 1, 2008 and May 31, 2011.

9. Documents sufficient to reflect all instances where a tenant disclosed to Ventas an event of default due to breach of a financial covenant during the time period January 1, 2008 and May 31, 2011.

 Documents sufficient to reflect how each Ventas-asserted default or tenantdisclosed event of default due to breach of a financial covenant during the time period January 1,
 2008 and May 31, 2011 was resolved (i.e. waived by Ventas, litigation, or other).

11. Communications between Ventas and the tenant related to events of default due to breach of a financial covenant identified in response to requests 8-10.

12. All documents related to quarterly calls between Ventas asset managers and operators and/or lessees of Ventas' other Senior Housing Communities for the time period January 1, 2008 to May 31, 2012, including but not limited to agendas, notes, summaries, and communications with the tenants related to the same.

13. Documents sufficient to show the physical location of each Ventas-owned or operated Senior Housing Community (as defined in Ventas Inc. SEC filings) as of January 1st of each year from 2008 to 2012.

14. A listing of Ventas' tenants for each of its Senior Housing Communities as of January 1st of each year from 2008 to 2012 grouped by the entity ultimately responsible for the tenant similar to that contained in the "Owned and Loan Portfolio - Operator Concentration" schedule at page 2 of Ventas' Fourth Quarter 2009 Supplemental Data filed on Form 8-K with the SEC on February 8, 2010. Thus, for example, each of the eight CaraVita Facilities would be grouped under ALC because each tenant was its subsidiary and ALC was the guarantor of the tenant's payment obligation.

15. Documents sufficient to reflect the accounting treatment utilized by Ventas in relation to the sale of the CaraVita Facilities to ALC.



## SUBPOENA TO PRODUCE DOCUMENTS

Issued Pursuant to U.S. Securities and Exchange Commission Rules of Practice 111(b) and 232, 17 C.F.R. §§ 201.111(b), 201.232.

| 1. TO<br>Quarles Brady, LLP   | This subpoena requires you to produce documents or other<br>tangible evidence described in Item 7, at the request of the<br>Party described in Item 4, in the U.S. Securities and Exchange<br>Commission Administrative Proceeding described in Item 6. |
|---|---|
| 2. PLACE OF PRODUCTION<br>Reinhart Boerner Van Deuren s.c.                  | 3. DATE AND TIME PRODUCTION IS DUE<br>February 20, 2015   |
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| Counsel for Laurie Bebo<br>Reinhart Boerner Van Deuren s.c.                 | The Honorable Cameron Elliot  |
|   | Administrative Law Judge<br>U.S. Securities and Exchange Commission   |

6. TITLE OF THE MATTER AND ADMINISTRATIVE PROCEEDING NUMBER

In the matter of Laurie Bebo and John Buono, CPA, AP File No. 3-16293

7. DOCUMENTS OR OTHER TANGIBLE EVIDENCE TO BE PRODUCED (ATTACH PAGES AS REQUIRED)

See attachment

| GENERAL INSTRUCTIONS | DATE SIGNED                                       | SIGNATURE OF ADMINISTRATIVE LAW JUDGE |
|----------------------|---|---------------------------------------|
|                      |   |                                       |
| GENERAL INSTRUCTIONS | Marine States and the second second second second |                                       |
|                      |   |                                       |

#### MOTION TO QUASH

The U.S. Securities and Exchange Commission's Rules of Practice require that any application to quash or modify a subpoena comply with Commission Rule of Practice 232(e)(1). 17 C.F.R. § 201.232(e)(1).

U.S. Securities and Exchange Commission Office of Administrative Law Judges Form

#### **DEFINITIONS AND INSTRUCTIONS**

1. You are instructed to produce documents and/or electronically stored information evidencing, commemorating, reflecting and/or relating to the following list.

The term and "Quarles" refers to Quarles & Brady LLP and includes (a) all of its affiliates, divisions, units, successor and predecessor entities, subsidiaries, parents, and assigns;
 (b) all of its present and former officers, directors, agents, employees, representatives, accountants, investigators, and attorneys; (c) any other person acting or purporting to act on its behalf; or (d) any other person otherwise subject to its control, which controls it, or is under common control with it.

3. The terms "Assisted Living Concepts, Inc.," or "ALC" refer to Assisted Living Concepts, Inc. and includes (a) all of its affiliates, divisions, units, successor and predecessor entities, subsidiaries, parents, and assigns, including but not limited to Assisted Living Concepts, LLC (d/b/a Enlivant); (b) all of its present and former officers, directors, agents, employees, representatives, accountants, investigators, and attorneys; (c) any other person acting or purporting to act on its behalf; or (d) any other person otherwise subject to its control, which controls it, or is under common control with it.

4. The term "Ventas lease" refers to the Amended and Restated Master Lease Agreement between and among Ventas Realty, Limited Partnership and affiliates of ALC, dated January 1, 2008, whereby ALC rented eight independent and assisted living facilities located in several states in the Southeast United States (referred to herein as the "CaraVita Facilities").

5. "Communication" means any oral, written, electronic, or other transfer of information, ideas, opinions or thoughts by any means, from or to any person or thing.

6. "Including" means "including without limitation."

7. "Relate to," "related to" and "relating to," mean mentioning or describing, containing, involving or in any way concerning, pertaining or referring to or resulting from, in whole or in part, directly or indirectly, the stated subject matter.

8. The terms "and" as well as "or" shall be construed either disjunctively or conjunctively as necessary to bring within the scope of these requests any document or thing which might otherwise be construed to be outside their scope.

9. "Document" is defined to be synonymous in meaning and equal in scope to the usage of this term in Federal Rule of Civil Procedure 34(a), including, without limitation, writings, drawings, graphs, charts, photographs, sound records, images, electronic or computerized data compilations and other electronically stored information, and any versions, drafts or revisions of any of the above. Any document which contains any comment, notation, addition, insertion or marking of any kind which is not part of another document which does not contain a comment, notation, addition, insertion or marking of any kind which is not part of any kind which is part of another document, is to be considered a separate document.

10. "Electronically stored information" means all information that is created, manipulated, or stored in electronic form regardless of the medium. Electronically stored information also includes any deleted data that once existed as live data but has been erased or deleted from the electronic medium on which it resided. Even after deleted data itself has been overwritten or wiped, information relating to the deleted data may still remain.

11. A document or thing is deemed to be in your control if you have the right to secure the document or thing or a copy thereof from another person or entity having actual possession of the document or thing. If any document or thing responsive to this request was, at one time, but is no longer, within your possession or control, state what disposition was made of

the document or thing, by whom, the approximate date of the disposition, and the reason for the disposition.

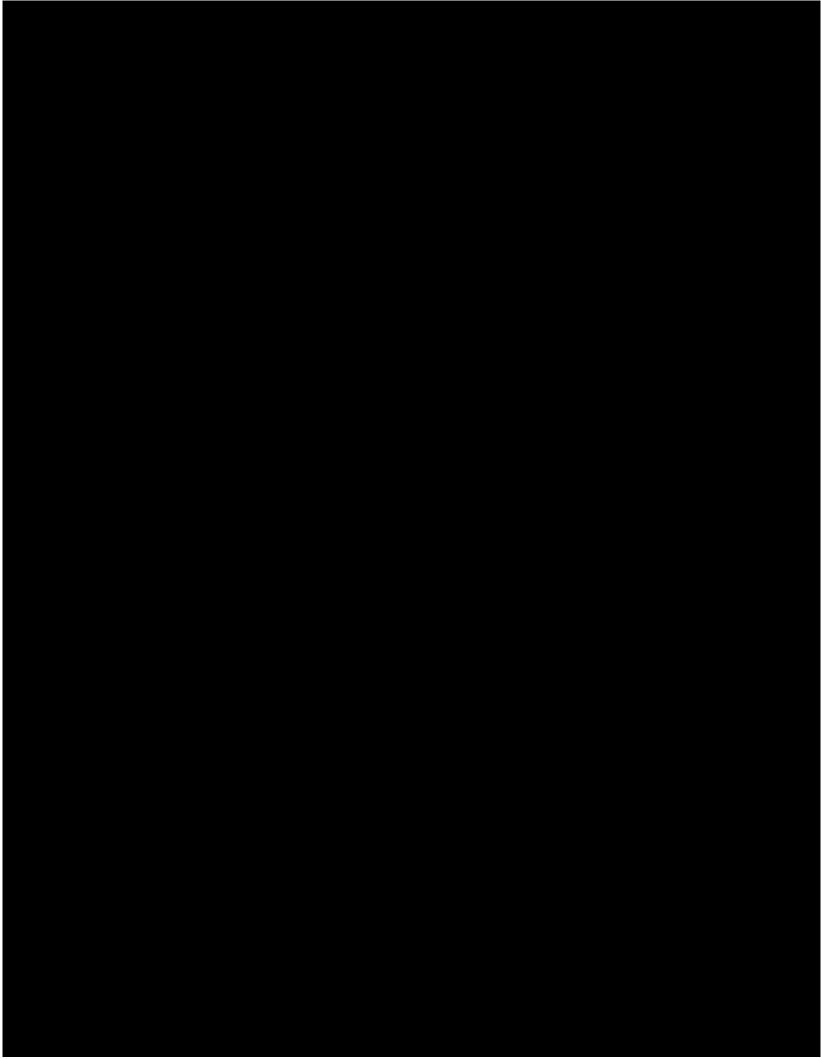
12. If any request for documents is deemed to call for the production of privileged or work product materials and such privilege or work product is asserted, provide the following information with respect to each withheld document:

- (a) the privilege(s) and/or work product protection asserted;
- (b) the date on which the document was created or finalized;
- (c) the number of pages, including any attachments or appendices;
- (d) the names of the document's author, authors or preparers;
- (e) the name of each person to whom the document was sent, carbon copied or blind carbon copied;
- (f) the subject matter of the document or responses, and in the case of any document relating or referring to a meeting or conversation, identification of such meeting or conversation.

### DOCUMENTS TO BE PRODUCED

1. Records of all time recorded (both billed and unbilled time) by Quarles attorneys,

paralegals, or other professionals on account of ALC from July 1, 2011 to May 31, 2012.



# REINHART BOERNER VAN DEUREN S.C. Counsel for Respondent Laurie Bebo

By

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February 4, 2015

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DELIVERED BY COURIER

The Honorable Cameron Elliot Administrative Law Judge Securities and Exchange Commission 100 F Street, N.E. Washington, DC 20549

Dear Judge Elliot:

Re: In the Matter of Laurie Bebo and John Buono, CPA File No. 3-16293

I enclose the original and one copy of Respondent Laurie Bebo's Request for Issuance of Supplemental Subpoenas *Duces Tecum* and Subpoenas *Duces Tecum* to Produce Documents to Assisted Living Concepts, LLC d/b/a Enlivant, Ventas, Inc. and Quarles & Brady LLP. I also enclose a Certificate of Service. Pursuant to 17 C.F.R § 201.232, please sign the Subpoenas and return in the envelope provided. We believe that the supplemental subpoenas and the chart included at paragraph 9 of the Request address the issues raised in your January 23, 2015 order.

Please feel free to contact me if you have any questions.

Yours very truly, van S. Stippich

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cc Patrick S. Coffey, Esq. (w/encs.)
Benjamin J. Hanauer, Esq. (w/encs.)
Scott B. Tandy, Esq. (w/encs.)
Christina Zaroulis Milnor, Esq. (w/encs. by e-mail only)